



Department of Justice

United States Attorney David L. Huber
Western District of Kentucky

FOR IMMEDIATE RELEASE
WEDNESDAY, MAY 30, 2007
WWW.USDOJ.GOV/USAO/KYW

CONTACT: SANDY FOCKEN
PHONE: (502) 582-5911
FAX: (502) 582-5097

**LOUISVILLE PHYSICIAN ACCUSED OF RECEIVING ILLEGAL KICKBACKS
AGREES TO PAY \$240,561.22 TO SETTLE CIVIL FRAUD ALLEGATIONS FOR HIS
RELATIONSHIP WITH CONTI MEDICAL CONCEPTS**

*– Whistleblower recovers \$19,244
– Also agrees to sign 5-year Integrity Agreement with HHS*

*** *** ***

David L. Huber, United States Attorney for the Western District of Kentucky, along with the Office of the Inspector General for the Department of Health and Human Services (“OIG-HHS”) and the Kentucky Attorney General’s Office, Medicaid Fraud Control Unit (“MFCU”), announces that Dr. Ricky S. Collis, of Louisville, Kentucky, has agreed to pay \$240,561.22 to settle charges that between July 18, 2002 through November 19, 2004, Dr. Collis received improper cash and non-cash remuneration as inducement for making referrals for medical supplies later billed to Medicare, Medicaid, and other federal health care programs.

According to the settlement agreement, the United States maintains that Dr. Collis received improper inducements from Conti Medical Concepts (“CMC”), Tony Conti (CMC’s owner), and Victoria Conti, of Louisville, Kentucky. CMC operated as a durable medical equipment supplier located at 3006 Eastpoint Parkway, Louisville, Kentucky, selling medical items such as prescription back braces.

Dr. Ricky Collis provided a large number of referrals to CMC - far greater than any other physician - for V-Loc back braces. (The “V-Loc” or “System-Loc” is a three piece back brace, with a rigid posterior panel and a flexible anterior panel. It also came with an interchangeable rigid anterior panel. The brace provided anterior and posterior control.) The United States maintained that Dr. Collis received improper cash and non-cash remuneration as inducement for making referrals to CMC.

Dr. Collis denies any wrongdoing.

CMC, Tony Conti, and Victoria Conti are also named in a superseding federal indictment, which was returned on December 5, 2006. A copy of the media release is attached. CMC and Tony Conti are charged with conspiracy to falsify medical records, alteration of medical records, and making false statements relating to health care. Victoria Conti, along with CMC and Tony Conti, are also charged with offering a kickback to improperly induce referrals from a physician.

CMC, Tony Conti and Victoria Conti are also named as defendants in a whistle blower lawsuit filed by a former employee of CMC under the False Claims Act, 31 U.S.C. §§ 3729-3733. The United States has elected to intervene in the whistle blower lawsuit.

Bonnie Schaefer, the whistle blower, will receive \$19,244.90 as a result of the settlement with Dr. Collis.

Dr. Collis and his related business entities (Interventional Rehabilitation of Kentucky, P.S.C. and the Kentucky Rehabilitation Institute, and NovadMed Pain Management) have also agreed to enter a five-year Integrity Agreement with the OIG-HHS. OIG-HHS often enters Integrity Agreements in cases involving civil health care fraud as an added administrative

protection for Federal health care programs to assure that health care providers comply with the requirements of those Federal programs.

The claims in this case were investigated by the OIG-HHS, MFCU, and the U.S. Attorney's Office. The case was handled by Assistant United States Attorney Benjamin S. Schecter.

###